SBA

SOP 20 17 2

Disbursement Functions

Office of the Chief Financial Officer

U.S. Small Business Administration

SMALL BUSINESS ADMINISTRATION
STANDARD OPERATING PROCEDURE
NATIONAL

SUBJECT: **DISBURSEMENT FUNCTIONS**	**S.O.P.**		
	SECTION: 20	**NO:** 17	**REV:** 2

INTRODUCTION

1. **Purpose:** This SOP prescribes the policy and procedures which govern the disbursement of funds at the Denver Finance Center (DFC), Colorado. Procedures for making payments to banks, vendors, other agencies, and program beneficiaries are described. Reimbursement of travel and relocation expenses are also discussed. This SOP supports the use of the administrative accounting desk procedures used by employees of the Administrative Accounting Branch (AAB) for detailed procedural guidelines.

2. **Personnel Concerned:** Denver Finance Center in the Office of the Chief Financial Officer and other Headquarters and field office personnel who are associated with any of SBA's disbursement activities.

3. **Directives Canceled:** SOP 20 17 1 and all revisions thereto, and SOP 20 16.

4. **Originator:** Denver Finance Center, Office of the Chief Financial Officer.

AUTHORIZED BY: J. Larry Wilson Chief Financial Officer		**EFFECTIVE DATE:** December 4, 1998
		PAGE: 1

SBA Form 989 (5-90) Ref: 00 23

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Chapter 1

General

Overview

This chapter provides general guidance on disbursement functions performed by the Denver Finance Center (DFC), Administrative Accounting Branch (AAB) employees. They examine, process, and certify administrative and programmatic requests for payment. Administrative payments include travel, vendor invoices, and imprest fund cashier reimbursements. Programmatic payments include 8(a) Letters of Credit (LOC), 7(j) invoices, Small Business Development Center (SBDC) disbursements, and requests for loan disbursements.

1. What are My Responsibilities as an Accounting Technician?

You review and process requests for payments by ensuring that:

a. Payments are authorized;

b. Payments are processed on time; and

c. Duplicate payments are not made.

2. What are My Responsibilities as a Certifying Officer?

You certify payment schedules sent to the Treasury Department Disbursing Office. A certifying officer is an AAB employee who has been delegated the authority to certify voucher schedules submitted to U.S. Department of Treasury for payment.

3. What is the Basis of this SOP?

a. SBA Standard Operating Procedures (SOPs);

b. GAO Regulations;

c. Comptroller General Decisions;

d. GSA Regulations Treasury Regulations;

e. Certifying Officers Act (31 U.S.C. 3528); and

f. Joint Travel Regulations.

Chapter 2

Document Processing Procedures

Overview

This chapter covers the examination procedures common to all administrative payment documents, and the control and flow of these documents. The procedures peculiar to specific types of payments are in the Administrative Accounting Desk Procedures.

AAB personnel use the Federal Financial System (FFS) to process most administrative accounting transactions. AAB personnel use the following systems to process transactions: MAPPER, Transaction Information Program (TIP), Care and Preservation of Collateral (CPC), and the 1416 Loan Systems.

1. What Documentation is Necessary?

a. Payment documents must be originals.

b. If the original document is lost or destroyed, the certifying official must attach an explanation of the circumstances involved to the payment copy.

c. The Chief/AAB (or designee) must sign off on any non-original payment document.

2. What are the Basic Examination Procedures?

In order for a document to be processed accurately and completely, you must review for the following:

a. Verify that all commercial documents are date-stamped by DFC Mail Center. If an envelope is addressed to a specific individual, the document cannot be opened by the Mail Center. In these instances, the individual must either date-stamp the document or staple the envelope to the document to verify date receipt.

b. Check for an SBA/DFC barcode label affixed to the document. Without a barcode label, the document cannot be tracked throughout the payment process.

c. Check the document into the Document On-Line Tracking System (DOTS). DOTS is located on DFC's local area network (LAN).

d. Ensure that the document has original signature(s). Without original signatures, DFC must send the document back to the originating office.

e. Check that the document indicates the appropriation, location, fund, activity codes, and budget object class. Without the proper coding, you must process the document as a reject. The budget coding structure can be found on the SBA Form 879(A).

3. How Do I Prevent Duplicate Payments?

In addition to processing only original payment documents, you must follow the steps listed below to prevent duplicate payments:

a. Verify document uniqueness in DOTS to ensure the same document has not been previously received and added;

b. Check the Federal Financial System Document Cross Reference Table (DXRF) to ensure that the same document has not been previously processed; and

c. If you receive a document that has already been paid, it should be filed in the vendor file and not be processed for payment.

4. How Do I Finalize the Payment Process?

a. Complete and attach a document routing sheet (SBA Form 2071) to the document.

b. Check your Accepted Document Report every morning to ensure the previous day’s work was accepted into FFS.

c. Take processed documents to the Quality Assurance Section to be "matched." Matching means that the document added in DOTS matches the document processed in FFS in terms of document identification and dollar amount.

d. Quality Assurance brings processed and matched documents to the DFC Records Center for filing.

Chapter 3

Commercial Vouchers

Overview

This chapter covers the examination of invoices or vouchers for commercial disbursements.

1. What is a Payment Voucher (PV)?

A payment voucher is a certified vendor invoice received from the SBA office that procured the goods or services. To process payment of such invoices, the PV document is created in the Federal Financial System (FFS).

2. What Do I, as an Accounting Technician, Look for Before Processing a PV for Payment?

a. The invoice must be an original document with an original certifying signature;

b. The SBA purchase order number must be referenced on the invoice;

c. The vendor's name and remittance address must appear on the invoice. (Contact AAB for additional information.); and

d. Check FFS for Miscellaneous Order (MO) obligation in the Obligation Header Line Table (OBLH).

For more information on how to enter an obligation in FFS, please refer to the Federal Financial system Quick Reference Guide, or Appendix A.

3. What are Advance Payments?

The Prompt Payment Act mandates that Federal agencies pay for goods and services supplied by a vendor 30 days from receipt of the bill. Advance payments allow the agency to pay a vendor immediately, instead of waiting the mandated 30 days.

All advance payments are paid under FFS prompt payment type U. Some examples of when you may want to utilize the advance payment are:

a. Subscriptions for newspaper, magazines, other periodicals;

b. Post Office box rentals for official use;

c. Training expenses;

d. Charges for advertising that must be accompanied by an SBA Form 2 and a copy of the advertisement; and

e. Utility service payments that must be certified when paid.

4. What is Alternate Payment Procedure (APP)?

APP was implemented in all procurement offices in April, 1991. Under APP, all invoices for purchase orders of $2,500 or less can be paid without a receiving document (a receiving document is used to verify receipt of goods or services). Remember, however, purchase orders can only be prepared by the Office of Procurement and Grants Management (OPGM).

One example where APP might be used is paying recurring charges. Recurring charges are when a purchase order is set up for the entire fiscal year and is billed at intervals, such as a magazine subscription.

To oversee and ensure compliance and accuracy with the APP, once a quarter a random sample is taken to validate receipt and certification of payments.

5. When Do I Pay State and Local Sales Tax on a Commercial Invoice?

You must reference the Chief Financial Officer's "Decisions and Applicable State Statute," to determine liability. A general rule to follow is:

a. When the tax is on the buyer, the Federal Government does not pay the taxes and must subtract the amount from the invoice; and

b. When the tax is on the vendor, the Federal Government must pay the tax.

The administrative or certifying officer makes this determination before signing off on the invoice.

6. What Happens When a Vendor Owes Money to the Internal Revenue Service (IRS)?

When SBA issues payment to a vendor with outstanding Federal taxes, the IRS must be paid first with any balance remaining going to the vendor. The only time the IRS is not paid first is if the vendor also owes SBA money.

The IRS 688-A, "Notice of Levy," is used to officially inform the SBA of the outstanding debt. Upon receipt of a copy of the Notice of Levy you must do the following:

a. Determine if there are vendor invoices on hand that are certified for payment;

b. Determine if the vendor owes SBA money;

c. Determine if the vendor owes the IRS money;

d. Offset the amount paid to SBA, and then to the IRS;

e. Remit payment to the IRS and/or clear the SBA receivable;

f. Maintain a copy of Notice of Levy in the vendor file; and

g. Notify the vendor of amounts paid to the SBA and/or IRS.

Chapter 4

Travel Vouchers

Overview

This chapter gives a brief explanation of what a travel voucher is and when an employee files one.

1. What is a Travel Voucher?

A traveler submits a travel voucher, SF 1012, Travel Voucher, for reimbursement of expenses incurred when traveling on official business for SBA.

2. As a Voucher Examiner, What Do I Need to Reimburse Someone for Travel?

a. An original (front and back) SF 1012 or SF 1164;

b. An original signature by the traveler and the approving official's original signature and title;

c. All receipts as required in SOP 20 11 (e.g., lodging, telephone calls, airfare, gas, and car rental);

d. A signed copy of the travel authorization document, SBA Form 21; and

e. Check FFS for the Travel Authorization (TO) in the Travel Order Header Table (TOHT).

For more information on how to enter a travel authorization in FFS, please refer to the Federal Financial system Quick Reference Guide, or Appendix 2.

Contact AAB for additional information. See SOP 20 11, as it covers in detail all aspects of official SBA travel.

Chapter 5

Imprest Fund

Overview

An imprest fund is established to make small cash purchases and miscellaneous payments under the guidelines in SOP 20 05, "General Cashier Control Procedures." This chapter provides you the procedures for examining imprest fund reimbursement vouchers and handling of overages and shortages of imprest balances.

1. How is an Imprest Fund Reimbursement Voucher Submitted?

a. An original SF 1129, "Reimbursement Voucher," signed by an authorized cashier and an approving official.

b. Expenses incurred in an SBA office are documented on a subvoucher, SF 1164 or 1165, with attached detail and submitted to DFC for examination and payment. The maximum amount is $150 for each subvoucher; however, in an emergency, you can increase a subvoucher up to $300. The emergency request must be signed by the district director, or equivalent, and the DFC Director must approve the request. These subvouchers must have justification and appropriate official signatures.

For additional information, see SOP 20 05.

2. What Does the Examiner Check for on an Imprest Reimbursement Voucher?

a. Ensure the authorizing cashier and amount of fund is proper (see SOP 20 05).

b. Check to see if the dates and subvoucher numbers are consecutive.

c. Ensure the voucher amount and cash on hand equal the amount allowed for the imprest fund.

d. Ensure the SF 1164 and 1165 are in sequential numerical order.

e. Check that an approving official's signature appears on each SF 1164 and 1165.

f. Ensure that all loan expenses have a receipt and an SBA Form 327, Modification for Administrative Action, and SBA Form 397, Notice of Fully Paid Account, attached to the subvoucher (the dollar amount must be $5 or greater).

Contact AAB for additional information.

3. What Does DFC Require When there is an Imprest Fund Shortage?

When an SBA office discovers a loss or shortage of funds to the imprest account the following must occur:

a. The district director, or equivalent, writes a memorandum to the Office of the Inspector General (OIG) and the Chief Financial Officer (CFO). The CFO forwards the memo to DFC. Refer to SOP 20 05 which discusses the control of the imprest fund in great detail.

b. DFC prepares a written report of the loss. This report is sent to the CFO for signature and forwarded to the OIG.

c. DFC creates a file to retain all documents relating to each individual imprest fund shortage that includes:

(1) Confirmation Memorandum;

(2) Reimbursement Memorandum and Loss Report; and

(3) Replenishment of Imprest Fund, as noted on an SF 1129.

Chapter 6

Transportation Vouchers

Overview

This chapter explains what transportation vouchers are, how they differ from other commercial invoices, and when and how to file damage/loss claims.

1. What are Transportation Vouchers (TNs)?

TNs are commercial invoices representing the cost of transportation for both passengers and freight.

Some examples are:

a. An invoice from a freight company for shipping of household goods, also known as a GBL (Government Bill of Lading).

b. A monthly statement from the Government travel and expense card company for airline tickets, also known as the Government Travel Account (GTA).

2. What Makes TNs Different from Other Types of Commercial Payment Vouchers?

a. TNs are strictly for payment of transportation of goods and passengers.

b. The General Services Administration (GSA) regulates this type of service and requires monthly reports.

c. GTA processing references a travel order in FFS, not a purchase order, like other commercial payments.

d. Special forms are used by freight carriers to bill the Government (contact AAB for additional information).

3. What are Damage/Loss Claims?

a. The traveler must file a claim with the freight carrier to formally report damage to and/or loss of the goods shipped.

b. Damage/loss must exceed $15.

4. How are Damage/Loss Claims Handled?

a. All damage/loss claims are handled separately from the freight bill.

b. A payment voucher (PV) document is created in FFS to pay damages based on a claim that has been properly submitted and approved.

c. Claims may be paid by offset against other invoices only if more than 90 days have elapsed since the claim was filed.

5. How Do I Process a TN for Payment?

Contact AAB for additional information.

Chapter 7

Loan Processing

Overview

This chapter explains the steps AAB follows in processing the disaster and business loan disbursements. A Delegation of Authority, April 16, 1996, (see Appendix 4) ratifying the authority delegated to the Disaster Area Offices to schedule 1416 disbursements is hereby made part of this SOP by reference and inclusion.

1. How Do I Process Disaster Loan Disbursements?

a. The following information is required by AAB for disbursing disaster loan checks:

(1) The disaster servicing office must submit a transmittal with the loan number, control number, and the amount of the disbursement; and

(2) Original signatures of the recommending and approving officials must be on all transmittals. A list of authorized signatures is maintained by AAB.

b. To process:

(1) Enter the data into the Transaction Information Program (TIP) which in turn generates the check information for certification (contact AAB for additional information);

(2) Compile a list of disbursements (called a segment sheet) for the Quality Assurance Section (QAS), and provide the total of each schedule and the mailing instructions, if any;

(3) Enter the fund breakdown into the Treasury Transaction System (TTS) when you receive the SF 1166 from the Department of Treasury (contact AAB for additional information); and

(4) Send the SF 1166 to records.

EXCEPTION: The exception to the loan processing described in paragraph 7-1, is publicity checks, which are approved by the Chief, AAB. These checks are cut on the spot during disasters to demonstrate SBA's ability to provide immediate aid to businesses affected by disasters. The Group Leader must contact San Francisco Treasury to have the check(s) done manually and sent by Federal Express to the requesting office. Upon receipt of the SBA Form 1416, AAB will update the loan accounting system to reflect the disbursement. Contact AAB for additional information.

2. How Do I Process Business Loan Disbursements?

The servicing office must submit the actual SBA Form 1416 Loan Document that shows:

a. Borrower's name;

b. Loan number;

c. Amount of disbursement; and

d. Original signatures of both approving and recommending officials.

To process, follow steps in paragraph 7-1(b).

3. What is the Loan Check Cancellation Process?

a. AAB receives the check from the servicing office to be canceled;

b. The check is then forwarded to San Francisco Treasury; and

c. AAB receives a faxed copy of SF 1098 from Treasury which confirms that the check is being credited to the SBA account.

Contact AAB for additional information.

Chapter 8

Care and Preservation of Collateral Disbursements

Overview

Care and Preservation of Collateral disbursements (CPC) are automated payments made against a loan. DFC verifies the invoice is certified for payment through the SBA Data Communications System (SBADCS). The servicing office enters, recommends, and approves the invoices. To access SBADCS, you must have an SBA Network Security System identification number.

1. What is a Transaction Identification?

A transaction identification is a unique CPC payment identification number. This allows for individual payment reference when there is more than one disbursement on a loan.

2. What are the Payment Disbursement Procedures?

a. The servicing office enters the necessary data into the CPC automated system.

b. The system automatically creates an SF 1166 list of all disbursements to be paid.

3. What is the Prompt Payment Criteria for CPC?

a. If the payee is a service company (other than utility companies) or the payment is for “goods and services,” then payment must be made 30 days from the date the invoice is reviewed. This payee can be identified by the payment code “Y.”

b. If the payee is a Government, Federal, State, or local agency, or expense relates to COLPUR, or if reimbursement is to the primary lender, then the payment must be made the next day. The payee can be identified by the payment code “N.”

DFC's certifying officer signs and submits segment sheet to QAS who in turn certifies the payment electronically through the Electronic Certification System (ECS). Contact AAB for additional information.

4. What is the Duplicate Payment Report?

DFC receives LAQD81 (duplicate payment report). The report identifies any duplicate payments within 16 months. Contact AAB for additional information.

5. What is a Schedule Cancellation?

A schedule cancellation is a document that is created when payment data is incomplete/incorrect or Treasury is unable to process.

Contact AAB for additional information.

6. What is a Schedule Accomplishment?

A schedule accomplishment is a document that is created when Treasury is able to process the disbursement of a loan. The Loan Accounting System is updated based on the schedule accomplishment.

Contact AAB for additional information.

7. What are the Requirements for Check Cancellation?

DFC receives a 1098 Treasury Report showing all checks that require cancellation. The DFC AAB staff is required to cancel the checks on the 1098 Report in TIP through screen LAQU25. Once TIP updates the cancellations, DFC staff prints the screen and files the screen print for assistance on follow-ups. After the check has been marked for cancellation, the servicing office must officially delete the check from TIP through screen LAQU05.

8. What are the Cancellation Procedures?

a. DFC forwards checks to the Treasury that were returned through a number of sources.

b. When a check is lost or stolen, the servicing office notifies DFC AAB and a “Stop Payment” is issued.

c. When Treasury reports that a "Stop Payment" cannot be accomplished because the check is negotiated, DFC will record the information and forward the copy of the check to the servicing office.

d. If a corrected address is located for the canceled check, then the DFC and the servicing office together decide if the check is to be reissued.

9. What Type of Reports Does Transaction Information Program (TIP) Produce?

TIP produces reports for review of completeness, correctness and timeliness. They are:

a. SF 1166, “Voucher and Schedule of Payments”; and

b. Management and Accounting Report System (MARS) report 202, “Canceled Check Report from Treasury.”

Contact AAB for additional information.

Chapter 9

Miscellaneous Disbursements

Overview

This chapter discusses the various types of miscellaneous vouchers processed by AAB. Administrative and programmatic payments are listed separately. Administrative disbursements in this chapter include: tort claims, court cases, NationsBank Visa Purchase Card (Purchase Card), Federal excise tax, Online Payment and Collection (OPAC) transactions, Permanent Change of Station (PCS) disbursements, and IRS filing requirements for Form 1099s. The programmatic disbursements section covers 7(j) cooperative agreements, SBDC cooperative agreements, and section 8(a) administrative contracts.

Administrative Disbursements

1. What is a Tort Claim?

A tort claim is a suit brought against the United States Government. The Military Personnel and Civilian Employees' Act (ACT) authorizes Federal agencies to settle claims made by their employees for damage or loss of personal property. Special fund citations apply to these payments.

a. Payments for claims under the ACT are made from salaries & expense appropriation.

b. AAB processes a PV transaction to reimburse the employee or vendor. This type of payment does not fall under the Prompt Payment Act.

Contact AAB for additional information.

2. How is a Tort Claim Paid?

a. SF 1145, “Voucher for Payment Under Federal Tort Claims Act,” and SF 1145A, “Voucher for Payment Under Federal Tort Claims Act (Memo) are used to process tort claim settlements. This includes payment of attorney fees, if applicable.

b. AAB processes these as PV transactions in FFS. This type of payment does not fall under the Prompt Payment Act. (Contact AAB for additional information.)

3. What is the NationsBank Visa Purchase Card (Purchase Card)?

The purpose of the Purchase Card Program is to lower costs and reduce the paperwork associated with small purchases. It also reduces the use of the imprest fund.

4. How are Purchase Card and Federal Express (FEDEX) Processed?

Purchase Card and FEDEX (charges within the U.S.) are paid via Electronic Date Interchange (EDI).

The reject coordinator performs the following for Purchase Card/FEDEX payments:

(1) On a daily basis you must check the SUSF table in FFS to ensure that the payments did not reject. If the payment accepted no further action is necessary.

(2) If the payment rejected, you must access the rejected document and scan the lines to determine the cause for the payment to reject.

5. What is the Federal Excise Tax?

The Department of Treasury collects excise taxes quarterly. Money is collected on administrative items payable to the SBA by the Programmatic Accounting Branch (PAB-DFC). The amount remitted includes the charge plus the 3 percent Federal excise tax.

a. Process for the collection of Federal excise taxes: AAB receives check, and the AAB technician completes SBA deposit form, SF 215;

  (1) The check and deposit form are submitted to PAB for deposit;

  (2) Three percent of the amount is deposited to the suspense appropriation 73F3875; the balance is deposited to Salaries and Expense 73-0100; and

  (3) After deposit is processed, an AAB technician processes the collections as a cash receipt (CR) in FFS.

b. Quarterly Federal Excise Tax Return (IRS Form 720). The Internal Revenue Service (IRS) will mail SBA a pre-addressed IRS Form 720 every 3 months. AAB will obtain worksheets that detail deposits made for the previous quarter for Federal excise taxes.

  By the last day of each quarter AAB will:

  (1) Prepare and sign Form 720;

  (2) Request check via P9 transaction in FFS;

  (3) Attach check to signed IRS Form 720; and

  (4) Mail to Internal Revenue Service, Ogden, UT.

6. What is the IRS Form 1099 Filing Requirement?

AAB files an IRS Form 1099, “Statement for Recipients of Miscellaneous Income,” for unincorporated commercial vendors paid $600.00 or more annually. The information reported is in accordance with Section 6041 of the Internal Revenue Code.

7. What are Online Payment and Collection (OPAC) Transactions?

OPAC transactions represent Government agency-to-Government agency transfers of funds. See SOP 20 18 for complete information.

8. What are Permanent Change of Station (PCS) Disbursements?

Certain benefits are available to employees who relocate for the benefit of the Government. The AAB coordinates and processes these benefits. Some reimbursable moving expenses must be included in gross income, and are subject to Federal income tax withholding. If applicable, they are also subject to the Federal Insurance Contribution Act (FICA) withholding. See SOP 20 15 for a full discussion and explanation of relocation procedures. Contact AAB for complete information on tax withholding and claims processing.

Programmatic Disbursements

9. What are the Section 7(j) Cooperative Agreements?

Section 7(j) of the Small Business Act, 15 United States Code (U.S.C.) 636(j), allows the SBA to enter into grants and cooperative agreements with service providers to provide targeted assistance in accounting, marketing, and proposal/bid preparation to other small businesses.

a. Administrative Accounting Group Procedures

The Office of Procurement and Grants Management (OPGM) forwards AAB one completed SBA Form 1222, “Notification of Cooperative Agreement Award,” (cooperative agreement). AAB then establishes a file folder held by AAB for:

(1) Filing the cooperative agreement and subsequent amendments; and

(2) Filing and maintaining CO Form 251, "Recurring Cost Record."

b. Request for Payment

OPGM's Grants Management Branch sends the original SF 270, "Request for Advance or Reimbursement," to AAB. The Grants Management Branch certifies the document for payment and indicates which fiscal year to apply the payment. The SF 270 is filed in the folder. The amount disbursed is recorded on CO Form 251. (Contact AAB for additional information)

7(j) payments are not subject to the Prompt Payment Act.

10. What are Small Business Development Company (SBDC) Cooperative Agreements?

The SBDC Program is designed to link university resources with Federal, State, and local governments and the private sector in order to provide comprehensive management and technical assistance to potential or existing small business owners/managers.

Request for Payment

The HQ SBDC office sends SBA Form 1222 to AAB requesting payment. All SBDC disbursements are made through the LOC arrangement via the Treasury Department. (Contact AAB for additional information.)

SBDC payments are not subject to the Prompt Payment Act.

11. What are Section 8(a) Administrative Contracts?

Section 8(a) of the Small Business Act gives SBA contracting authority to provide business development assistance to socially and economically disadvantaged small businesses through Federal procurement opportunities.

Request for Payment

OPGM submits certified requests for payment to AAB using SF 270. (Contact AAB for additional information.)

Section 8(a) payments are not subject to the Prompt Payment Act.

Chapter 10

Disbursement Methods

Overview

The Treasury Department disburses all SBA payments. SBA provides the required payment information (i.e., payee name, amount, etc.,) to the San Francisco Regional Financial Center (Treasury). Treasury processes this data and disburses money to the payee by check, Automated Clearing House (ACH), or wire transfer.

1. What are the Methods of Payments SBA Utilizes?

The Department of Treasury provides SBA with three methods of payment:

a. Paper checks **-** Treasury issues checks to the payee. Each check includes the payee's name, address, date, and payment amount. The checks are sent through the U.S. Postal Service and arrive 5 to 7 working days after the payment request is made.

b. Automated Clearing House (ACH) payments **-** These payments are also referred to as direct deposit, electronic fund transfer (EFT), or vendor express. Treasury electronically transmits payment to an employee's or vendor's bank account. These payments arrive in the payee's bank account 2 working days after the payment request is made and are the least costly method of payment.

c. Wire transfers **-** Wire transfers send large, individual payments between banks (including Treasury), to an account, the bank itself, or to another bank not connected directly to the wire system. The Department of Treasury does not allow wire transfers less than $100,000. Wire transfers are same day payments.

2. In What Formats Does SBA Request Treasury to Disburse Funds?

SBA submits payment requests to Treasury in the following formats:

a. Check format file **-** SBA uses this file to submit requests to Treasury to issue paper checks. This file must include the payee name, address, check amount, and payment request date.

b. Vendor express file **-** SBA requests ACH disbursements utilizing this format. Treasury requires this file to contain the following information: account title; account number; bank routing and transit number (RTN); account type (checking or savings); and payment amount.

c. Electronic certification system **-** SBA uses this format when the number of disbursements is relatively small. It can be used for checks, ACH, and/or wire transfers.

d. SF 1166 **-** This is a paper schedule that is mailed to the Treasury Department. It is normally only used for paper check disbursements.

Chapter 11

Quality Assurance

Overview

This chapter discusses the Quality Assurance (QA) reviews and the Document Online Tracking System (DOTS.)

1. What is the Document Online Tracking System (DOTS)?

DOTS is a program that tracks all documents received in the Administrative Accounting Branch (AAB). QA barcodes and enters all documents into the tracking system. (Contact AAB for additional information.)

2. What is PMAS Quality Control (QC) Rating?

The QA Section is responsible for the quality control reviews to inform managers when a technician is having difficulty processing payment vouchers. A sample of payment vouchers are selected at random for each examiner and reviewed for processing accuracy. These samples are reviewed and used for Performance Merit and Appraisal System (PMAS) monthly ratings.

3. What is the Prompt Payment Quality Control Review (PPQC)?

The Department of the Treasury Financial Management Service (FMS) requires agencies to review their payment procedures to ensure Prompt Payment regulations are followed. QA submits the Prompt Payment Report to FMS for ranking with other Government agencies.

4. What is the Sample Examined Travel Report?

This report shows how many travel vouchers had suspensions, underclaims, overclaims, and how many were reclaimed travel expenses. This report is prepared quarterly.

Contact AAB for additional information.

Chapter 12

Customer Service

Overview

This chapter discusses the functions of the Customer Service Section (CSS) of the AAB.

1. What is the Purpose of the HelpDesk?

The HelpDesk fields all incoming telephone calls for AAB. Our goal is to answer 90 percent of incoming questions without having to transfer the call.

2. What is the Purpose of American Express Customer Service Section (CSS)?

CSS processes all requests for American Express Government Travel and Expense cards Agency-wide. Monthly reports are emailed to managers regarding use, misuse, abuse of the card.

3. Who Handles Travel Suspensions?

When a technician discovers an error on a travel voucher, CSS makes the final decision regarding the correctness of a claim.

4. Who Handles Returned Documents?

On occasion, AAB must return documents that are too incomplete to process. CSS handles this type of transaction. This might entail a telephone call and/or a letter explaining the reason for the return as well as how to correct the inadequacy.

Chapter 13

Irregularities, Investigations, and Audits

Overview

This chapter covers reporting of irregularities, and requests for investigations and audits.

1. How Do I Report Irregularities?

The DFC Director issues written reports of suspected irregularities by program participants to the OIG through the Chief Financial Officer. All information about the suspected irregularity is reported.

DFC employees may report information regarding any suspected violation of the law or mismanagement and/or waste of funds, etc., to OIG's hotline (202-376-6766) or in writing to P.O. Box 28242, Washington, DC 20005-0242.

2. How Do I Request an Investigation?

Requests for investigation of program participants must be written to the Assistant Inspector General for Investigations through the DFC Director and Chief Financial Officer. Report all information known regarding the request for investigation.

The requesting official must preserve evidence, advise potential witnesses to discuss the matter with only the investigator, and take measures to limit Government loss.

The requesting official must not inform the subject about the pending investigation, pursue the investigation, or release information about the pending investigation.

3. How Do I Request an Audit?

Send an audit request to the Assistant Inspector General for Audits through the DFC Director and Chief Financial Officer and include general information as to why the audit is requested.

APPENDIX 1

Index to Forms and Reports

Form Number	Form Name	Documentation Needed or Supplied on Form
SBA Form 879(A)	Allotment Operating Budget Structure Form	The coding structure of the SBA budget (paragraph 2-2(e)).
Federal Financial System Document Cross Reference Table (DXRF)	Same Name	Shows documents that have already been processed for payment (paragraph 2-3(b)).
SBA Form 2071	FFS Document Routing Sheet	Routes a payment document for processing (paragraph 2-4(a)).
Accept Document Report	Same Name	Reflects previous day's work was accepted in FFS (paragraph 2-4(b)).
SBA Form 2	Requisition for Supplies, Services, Federal Assistance	Required when you are placing an advertisement in a newspaper (paragraph 3-3(d)).
IRS 688-A	Notice of Levy	Used to officially inform the SBA of outstanding debt (paragraph 3-7).
SF 1012	Travel Voucher	Used for claiming reimbursement of expenses associated with official travel (paragraph 4-2(a)).
SF 1164	Claim for Reimbursement for Expenditures on Official Business	Used to submit transportation expenses when conducting official business (paragraph 4-2(a)).
SBA Form 21	SBA Travel Authorization	Used for authorizing official travel (paragraph 4-2(d)).
SF 1129	Reimbursement Voucher	Used to submit for an imprest fund reimbursement (paragraph 5-1(a)).
SF 1165	Receipt for Cash-Subvoucher	Documents a purchase when using imprest funds (paragraph 5-1(b)).
SBA Form 327	Modification for Administrative Action	Used if any changes on a loan must be made (paragraph 5-2(f)).
SBA Form 397	Notice of Fully Paid Account	Provides notification of a loan paid in full and allows the collateral cashier to release the deed of trust (paragraph 5-2(f)).
SBA Form 1416	Loan Disbursement/Closing	Assists in the safe control of checks received by field offices (Chapter 7, Overview).

SF 1166	Voucher and Schedule Payments	Assists in the processing of loans disbursement (paragraph 7-1(b)(3)).
SF 1098	1098 Report	Confirms that a check is being credited to SBA's account after being canceled (paragraph 7-3(c)).
IRS Form 1099	Statement for Recipients of Miscellaneous Income	Used for filing income tax for unincorporated commercial vendors paid $600 or more annually (paragraph 9-5).
SF 1145	Voucher for Payment Under Federal Tort Claims Act	Used to pay tort claim settlements (paragraph 9-2(a)).
SF 215	Deposit Ticket	Assists in the collection of Federal Excise Taxes (paragraph 9-4(a)).
IRS Form 720	Quarterly Federal Excise Tax Return	Used to detail Federal Excise Tax Deposits (paragraph 9-4(b)).
SBA Form 1222	Notification of Cooperative Agreement Award	Used to establish Section 7(j) Cooperative Agreements (paragraph 9-8(a)).
CO Form 251	Recurring Cost Record	Reflects any cost associated with the Cooperative Agreement (paragraph 9-8(a)(2)).
SF 270	Request for Advance or Reimbursement	Used for payment of the Cooperative Agreement (paragraph 9-8(b)).

APPENDIX 2

TRAVEL ORDER DOCUMENT (TO)
OVERVIEW

Travel for SBA begins with a travel authorization form that the traveler fills out and submits for processing and approval. This authorization is the source document for the Travel Order Document (TO) in FFS. The TO obligates a travel expenditure and pays a travel advance to the traveler if requested. In addition, the TO captures all pertinent information about the traveler; the type, purpose, length, and itinerary of the trip; per diem rates; and the accounting distribution for travel expenditures.

REQUIRED PRIOR DOCUMENTS

As illustrated in the Travel subsystem diagram, the TO is the first document type in the FFS travel chain. Therefore, no prior documents need to be entered to process a TO.

COMMONLY USED TABLES FOR TRAVEL ORDERS

TOHT/TOLT	Travel Order Header and Line
TADV	Travel Advance Inquiry
VXRF	Vendor Cross Reference

COMMON TO QUESTIONS

Below, on the left, is a list of questions commonly asked when entering TOs. On the right is the name of the table that contains the answer to the question.

1)	What is the traveler’s FFS code?	VNAM/VEND
2)	What travel mode should I enter?	TMOD
3)	What travel description should I enter?	TDES
4)	What per diem code should I enter?	TPDC
5)	What travel purpose should I enter?	TPRP
6)	Does this employee have outstanding advances?	TADV
7)	Has an advance been paid against this order?	TOHT/TADV
8)	How much of the TO has been paid?	TOHT
9)	Has the travel advance been disbursed yet?	PVHT
10)	Where do I find the travel obligation?	TOHT/TOLT

TRAVEL ORDER (TO)
DATA ENTRY INSTRUCTIONS

DOCUMENT IDs FOR TOs

For TOs, the Document ID consists of three portions:

(1) The first portion is the transaction code (e.g., TO);

(2) The second portion is the division (e.g., 8000 for Central Office) issuing the travel order; and

(3) The last portion is formulated according to the following:

  a. one numeric character is depicting the funding fiscal year (e.g., FY92 = 2)
  b. four numeric characters for organization (e.g., office location prior to FFS)
  c. four alphanumeric characters for sequence number which allows each organization to log and enter at least 10,000 documents per fiscal year.
  d. two alphanumeric characters reserved as amendment codes which allows each amended document linkage back to an original document ID. These fields are blank for an original document.

EXAMPLE:

TO	8000	282000128
TO	8000	255740009A
TO	4000	241130129A1

TO ACCOUNTING TRANSACTION TYPES

DOCUMENT	ACCOUNTING TRANS TYPR	DESCRIPTION
TO	NC	Travel Advance – No Check
TO	N2	Travel Advance – No Check/ Non 224
TO	OB	Travel Order Obligation
TO	TA	Employee Travel Advance

HEADER SCREEN – Obligation and advance

1) SOURCE DOCUMENT/USER PROVIDED – Enter the budget fiscal year.

2) USER PROVIDED – Enter a valid fund code from the Fund Table (FUND).

3) SOURCE DOCUMENT/USER PROVIDED – Derived from the name on the source document. Enter the employee code (SSN) for whom the travel order applies. The code must be listed as a Vendor Code on the Vendor Table (VEND) to be valid.

4) USER PROVIDED - Enter the type of travel. Valid codes are listed on the TTYP table.

5) SOURCE DOCUMENT – Enter the travel departure date.

6) SOURCE DOCUMENT – Enter the travel ending date.

HEADER SCREEN – Obligation Only

7) SOURCE DOCUMENT/USER PROVIDED – Enter the codes that detail the purpose(s) of this travel order. Valid codes are listed on the TPRP table.

8) SOURCE DOCUMENT/USER PROVIDED – Enter the codes that detail the purpose(s) of this travel order. Valid codes are listed on the TPRP table.

9) USER PROVIDED – Enter the code that indicates the type of per diem allowance. Valid codes are listed on the TPDC table.

10) SOURCE DOCUMENT – Enter the maximum amount that the traveler is authorized to spend daily for subsistence.

11) USER PROVIDED – Enter the appropriate accounting transaction type.

12) SOURCE DOCUMENT – Enter the unsigned summed amount of all obligation lines on the document.

HEADER SCREEN –

13) USER PROVIDED – Enter **TA** in the transaction type field.

14) SOURCE DOCUMENT – Enter the amount of the advance to be paid by check.

15) USER PROVIDED – Enter the number of advance, usually **1**.

HEADER SCREEN –

16) USER PROVIDED – Enter **M** for manual treasury schedule category to pay the advance.

17) SOURCE DOCUMENT – Enter the Agency-assigned manual schedule SF-1166 number.

18) USER PROVIDED – Enter the number representing the relative position of this advance payment to other payments on that schedule.

LINE SCREEN

19) USER PROVIDED – Enter a unique number for each accounting line.

20) SOURCE DOCUMENT/USER PROVIDED – Enter the code for the organization (location) funding this part of the TO.

21) USER PROVIDED – Enter the budget object code that best describes the item on this line. It must be valid on the BOC table (BOCT).

22) USER PROVIDED – Enter the code of the program (activity) responsible for the budget associated with the document line. It must be a valid entry in the Program Table (PGMT).

23) USER PROVIDED – Enter the code which describes the nature of the expense. Valid codes are listed on the TDES table.

24) SOURCE DOCUMENT – Enter the obligation amount associated with the budget organization and BOC. It must have two decimal places.

APPENDIX 3

MISCELLANEOUS ORDER (MO) REQUIRED FIELDS DATA ENTRY INSTRUCTIONS

TO CREATE THE MO USING THE POBT

At the POBT screen, enter the document ID of a processed Requisition (RQ) document and the document ID of a new MO, and process the table with an action of A. The system leafs you to the new MO and you may then process the document after making the following changes:

1) SOURCE DOCUMENT – Enter the code for the vendor with whom this order is placed. Put a **P** in the action field to pause out of the document. Then next to the Vendor Name Table (VNAM) and scan for the appropriate vendor. Leaf back to your MO document and replace miscellaneous vendor with the actual vendor code.

2) USER PROVIDED – Enter **OB** in the Transaction Type field.

3) SOURCE DOCUMENT – Verify the document total.

LINE SCREEN

4) SOURCE DOCUMENT – Verify the Budget Organization, Budget Object Class (BOC) and the Amount fields. If all data is correct, then process the document.

TO CREATE THE MO WITHOUT USING THE PORT

HEADER SCREEN

1) SOURCE DOCUMENT – Enter the code for the vendor with whom this order is placed. It must be a valid code in the Vendor Table (VEND).

2) USER PROVIDED – Enter **OB** in the Transaction Type field.

3) USER PROVIDED – Enter N in the Receiver Required field when obligation will be paid using Alternate Payment Procedure (APP), i.e., the total dollar amount for supplies and services is $2,500 or less. Exceptions to this policy are purchase orders for recurring, training, and personal services.

4) SOURCE DOCUMENT – Enter the unsigned total of all the accounting lines on this order document.

LINE SCREEN

5) USER PROVIDED – Enter a different number for each line of the document.

6) SOURCE DOCUMENT – Enter the transaction code and number of the requisition being referenced. Also, enter the RQ line number referenced, the line number held is hidden within this field.

7) SOURCE DOCUMENT – Enter the cost that is to be charged to this accounting distribution.

8) USER PROVIDED – Optional. Only used if referencing a requisition. If you know this is a partial order, enter **P**; if this is the final order to be placed against the requisition, enter **F** or FFS will default to **F**. You must enter an **F** if this order line causes the ordered amount to exceed the requisitioned amount.

APPENDIX 4

DELEGATION OF AUTHORITY

INTRODUCTION

The purpose of this document is *ratify the authority delegated to the Disaster Area Offices to schedule* 1416 disbursements. This ratification comes after an extensive pilot begun during the Northridge Earthquake and expanded to the other Area Offices in December 1995.

CURRENT PROCEDURE

Personnel from the Administrative Accounting Group of the Office of Financial Operations (OFO) schedule the issuance of the Treasury loan proceeds (check and ACH). Disbursement information is input by disaster and field offices and transmitted within the 1416 system to a holding file. OFO staff add the disbursement date and disbursement schedule number as additional input to the holding file. At cutoff a routine is run that batches disburesments into electronic payment shedules and tranfers them to OFO, who in turn transfers them to the Treasury Department and electronically certifies the release of agency funds. OFO also updates the loan accounting system with the scheduled SBA Form 1416 records.

DELEGATION OF AUTHORITY

Under this delegation of authority, personnel in each Disaster Area Office, Legal department create schedules and schedule loan proceeds for disbursement. The assigned personnel have location 7800 (Denver) access. This location access allows them to perform the scheduling of 1416 disbursements. Each Area Office has a person assigned as the input person and a person assigned as the scheduler in order to maintain separation of duties. *Input and Schedule personnel do not preform other duties* related to the disbursement of funds.

PROPOSED PROCEDURE

Designated Disaster Area Office personnel create schedules, schedule loan disbursements, verify totals and fax transmittals with schedule numbers and dollar amount totals to OFO. The transmittals are used by OFO personnel to verify the Electronic Certification to Treasury.

Denver OFO personnel assign the schedule numbers used by each Are Office. *Denver will continue to certify the disbursements to be processed by the Treasury Department.* Each Disaster office will be assigned a range of schedule numbers to use.

SOP WAIVER

This delegation to the Disaster Assistance Program concurrently waives SOP 20 19 2, Paragraphs 31, 32 and SOP 20 17 2, (Not yet in print) Paragraph 85b.,88 requirements that the Office of Financial Operations schedule the original SBA 1416 payment via TIP input.

Mark Carney

Mark Carney, Director
Office of Financial Operations
April 16, 1996